IC 27-13-38

Chapter 38. Patient Protection; Drugs and Devices; Drug Utilization Review Program

IC 27-13-38-1

Drug and devices formularies

Sec. 1. (a) A health maintenance organization may apply a formulary to the prescription drug and devices benefits provided by the health maintenance organization if the formulary is developed, reviewed, and updated:

(1) in consultation with; and

(2) with the approval of;

a pharmacy and therapeutics committee, a majority of whose members are licensed physicians.

(b) If a health maintenance organization maintains one (1) or more drug and devices formularies, the health maintenance organization shall do the following:

(1) Disseminate to participating providers and pharmacists the complete drug and devices formulary or formularies maintained by the health maintenance organization, including a list of the devices and prescription drugs on the formulary by major therapeutic category that specifies whether a particular drug or device is preferred over other drugs or devices.

(2) Establish and maintain an expeditious process or procedure that allows an enrollee to obtain, without penalty or additional cost sharing beyond that provided for in the enrollee's covered benefits with the health maintenance organization, coverage for a specific, medically necessary and appropriate nonformulary drug or device without prior approval from the health maintenance organization.

(c) A health maintenance organization may not:

(1) void a contract; or

(2) refuse to renew a contract;

between the health maintenance organization and a prescribing provider because the prescribing provider has prescribed a medically necessary and appropriate nonformulary drug or device as provided in subsection (b)(2).

As added by P.L.69-1998, SEC.16.

IC 27-13-38-2

Substitution of brand name drugs

Sec. 2. Subject to IC 16-42-22:

(1) a pharmacist shall not substitute; and

(2) a health maintenance organization shall not require the substitution of;

a different single source brand name drug for a single source brand name drug written on a prescription form unless the substitution is approved by the prescribing provider.

As added by P.L.69-1998, SEC.16.

IC 27-13-38-3

Drug utilization review programs; contents

Sec. 3. Each health maintenance organization that has a prescription drug benefit shall establish and operate, or cause to be established and operated, a drug utilization review program that includes the following:

(1) Retrospective review of prescription drugs furnished to enrollees.

(2) Education of physicians, enrollees, and pharmacists regarding the appropriate use of prescription drugs.

(3) Ongoing periodic examination of data on outpatient prescription drugs to ensure quality therapeutic outcomes for enrollees.

(4) Clinically relevant criteria and standards for drug therapy.

(5) Nonproprietary criteria and standards, developed and revised through an open, professional consensus process.

(6) Interventions that focus on improving therapeutic outcomes, including prospective drug utilization review programs that monitor for possible prescription drug problems or complications, including drug to disease interactions, drug to drug interactions, or therapeutic duplication.

As added by P.L.69-1998, SEC.16.

IC 27-13-38-4

Drug utilization review programs; primary emphasis

Sec. 4. The primary emphasis of the drug utilization review program established under section 3 of this chapter is to enhance quality of care for enrollees by assuring appropriate drug therapy.

As added by P.L.69-1998, SEC.16.

IC 27-13-38-5

Drug utilization review programs; confidentiality of enrollees

Sec. 5. The name of an enrollee that is discovered in the course of the drug utilization review program shall remain confidential.

As added by P.L.69-1998, SEC.16.

IC 27-13-38-6

Adoption of rules

Sec. 6. The commissioner, with input and assistance from the state health commissioner, may adopt rules under IC 4-22-2 to implement this chapter.

As added by P.L.69-1998, SEC.16.